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1. PORTUGAL: DESPITE EMERGENCY SESSIONS OVER THE WEEKEND, PORTUGAL'S NEW THREE-MAN EXECUTIVE HAS FAILED TO FORM A CABINET, PROMPTING RENEWED SPECULATION IN THE LISBON PRESS THAT PRIME MINISTER VASCO GONCALVES MAY BE FORCED TO STEP DOWN. THE PRIME MINISTER'S OFFICE, MEANWHILE, HAS ANNOUNCED THAT A REORGANIZATION OF THE EXECUTIVE ITSELF IS UNDER ACTIVE CONSIDERATION BY THE TRIUMVIRATE.Y

DESPITE ASSURANCES LAST WEEK BY PRESIDENT COSTA GOMES THAT THE ANNOUNCEMENT OF A NEW GOVERNMENT WAS IMMINENT, EFFORTS TO SELECT A CABINET OVER THE WEEKEND APPARENTLY FAILED. SOME SOURCES IN LISBON SAY LESS RADICAL MEMBERS OF THE REVOLUTIONARY COUNCIL ARE PRESSING THEIR STRUGGLE AGAINST THE COMMUNIST-LEANING GONCALVES. OTHER SOURCES SAY THAT SECURITY CHIEF GENERAL OTELO DE CARVALHO, A MEMBER OF THE TRIUMVIRATE, IS UNWILLING TO ACCEPT THE ROLE OF VICE PRIME MINISTER UNDER GONCALVES AND IS INSISTING ON CO-EQUAL STATUS WITH GONCALVES IN A GOVERNMENT HEADED BY COSTA GOMES.Y

IT IS ALSO POSSIBLE, HOWEVER, THAT GENERAL CARVALHO HAS NOW

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DECIDED TO JOIN FORCES WITH ANTI-GONCALVES OFFICERS TO OUST THE PRIME MINISTER, AND THAT THE REPORTED EXECUTIVE REORGANIZATION COULD EXCLUDE GONCALVES ALTOGETHER. WHATEVER THE EXPLANATION FOR THE DELAY, GONCALVES' CHANCES OF REMAINING PRIME MINISTER APPEAR TO DIMINISH AS THE CONSULTATIONS DRAG ON.4

HOPES BY THOSE PORTUGUESE LEADERS OPPOSING A FURTHER DRIFT TO THE LEFT WERE UNDOUBTEDLY BUOYED ON SATURDAY BY REMARKS MADE BY COSTA GOMES ON HIS RETURN FROM THE CSCE SUMMIT IN HELSINKI. THE PRESIDENT, WHO HEARD SOME TOUGH TALK CONCERNING PORTUGAL FROM OTHER EUROPEAN HEADS OF STATE ATTENDING THE MEETING, RE-EMPHASIZED THE READINESS OF OTHER WEST EUROPEAN COUNTRIES TO ASSIST PORTUGAL, BUT ONLY IF LISBON RESPECTS POLITICAL PLURALISM AND DEMOCRATIC FREEDOMS. COSTA GOMES AGAIN CALLED FOR UNITY AND SUGGESTED THAT NOW IS THE TIME TO END PARTISAN AND PERSONAL RIVALRIES AMONG THE RULING MILITARY. HE URGED THE ADOPTION OF A "PLATFORM OF UNDERSTANDING" TO LEAD THE COUNTRY TO A PLURALISTIC POLITICAL SYSTEM.4

AT THE PRESENT JUNCTURE IT IS UNCLEAR WHAT EFFECT, IF ANY, THE PRESIDENT'S REMARKS WILL HAVE ON PORTUGAL'S BADLY DIVIDED LEADERS.

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THEIR CONTINUING FACTIONAL STRIFE IS HAVING REPERCUSSIONS IN KEY UNITS THROUGHOUT THE MILITARY. DISGRUNTLED OFFICERS REPORTEDLY ARE PLOTTING TO REMOVE REVOLUTIONARY COUNCIL MEMBER GENERAL CORVACHO FROM COMMAND OF THE NORTHERN MILITARY REGION BECAUSE OF HIS PRO-COMMUNIST SYMPATHIES.4

THE DISMISSAL OF NINE OFFICERS AND FOUR SERGEANTS FROM A CRACK COMMANDO REGIMENT OF THE INTERNAL SECURITY FORCES OUTSIDE LISBON LAST THURSDAY APPARENTLY WAS THE RESULT OF THEIR EFFORTS TO PURGE PRO-COMMUNIST ELEMENTS FROM THE UNIT. THE DISMISSED REGIMENTAL COMMANDER, COLONEL NEVES, WAS SO ANGERED THAT HE TOLD A LISBON NEWSPAPER ON SATURDAY THAT HE WOULD CONSIDER PARTICIPATING IN A COUP AGAINST THE PRESENT REGIME.4

GENERAL CARVALHO REPORTEDLY WILL ATTEMPT TO RESOLVE THE DISPUTE LATER ON MONDAY WHEN HE MEETS WITH THE OFFICERS INVOLVED. THE MANNER IN WHICH THIS DISPUTE IS SETTLED COULD HAVE A SIGNIFICANT IMPACT ON POLITICAL FACTIONALISM THROUGHOUT THE MILITARY, AND PARTICULARLY UPON MILITARY DISCIPLINE, WHICH HAS BECOME AN INCREASING SOURCE OF ANXIETY TO PORTUGUESE LEADERS IN RECENT DAYS.4

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2. CYPRUS: GREEK AND TURKISH CYPRIOT NEGOTIATORS, CURRENTLY MEETING IN VIENNA, REACHED AN AGREEMENT ON FRIDAY THAT WILL ENABLE SOME 9,000 TURKISH CYPRIOTS IN THE GREEK CYPRIOT ZONE TO MOVE NORTH AND WILL IMPROVE THE LIVING CONDITIONS OF AN EQUAL NUMBER OF GREEK CYPRIOTS WHO HAVE CHOSEN TO REMAIN IN THE TURKISH CYPRIOT AREA. IT WILL ALSO PERMIT THE RETURN TO THE NORTH OF SOME 800 GREEK CYPRIOTS WHO HAD BEEN EXPELLED EARLIER.

UN SECRETARY GENERAL WALDHEIM, UNDER WHOSE AUSPICES THE TALKS ARE BEING HELD, DESCRIBED THE AGREEMENT AS THE MOST IMPORTANT DEVELOPMENT THAT HAD OCCURRED IN THE NEGOTIATIONS. THE AGREEMENT COULD SET THE STAGE FOR AT LEAST SOME PROGRESS ON OTHER ISSUES. THE TALKS ARE SET TO CONCLUDE ON SATURDAY, FOLLOWING A DISCUSSION OF THE POWERS OF THE CENTRAL GOVERNMENT IN THE PROPOSED FEDERATION. [REDACTED]

3. USSR: BREZHNEV'S SPEECH AT HELSINKI, WHICH WAS CARRIED NATIONWIDE ON TV IN THE SOVIET UNION, ONCE AGAIN GAVE HIM UNIQUE EXPOSURE AS THE LEADING SOVIET "STATESMAN." THE SOVIET PRESS THE FOLLOWING

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DAY TRUMPETED HIS PERSONAL ROLE, AND HIS NAME AP-
PEARED IN SIX HEADLINES ON PRAVDA'S FRONT PAGE.Y

THERE MAY HAVE BEEN AN UNEXPECTED NEGATIVE
SIDE EFFECT FOR HIS IMAGE AT HOME, HOWEVER, THE CAMERA
PANNED THE AUDIENCE, SHOWING EMPTY CHAIRS BEFORE
HIM IN THE HALL, WITH PEOPLE WALKING UP AND DOWN
THE AISLES AND CHATTING WITH EACH OTHER. FOR THE
VAST MAJORITY OF THE SOVIET PEOPLE, THIS LACK OF
ATTENTION TO THE GENERAL SECRETARY'S SPEECH WILL
BE A SHOCK. ONLY A MINUSCULE MINORITY HAVE HAD
ANY EXPOSURE TO THE INFORMALITY OF AUDIENCES IN A
WESTERN MEETING OF THIS SORT. THE SOVIET MODEL,
THE ONLY STANDARD THE SOVIET PUBLIC HAS TO GO BY,
IS THAT OF A SUPREME SOVIET SESSION OR A CPSU CON-
GRESS--EVERY ONE IN HIS SEAT, EVERY SEAT FILLED,
NO CROSS-TALK AMONG INDIVIDUALS, AND "STRONG PRO-
LONGED APPLAUSE, ALL RISE" AT THE CONCLUSION.Y

UNLESS NON-COMMUNIST LEADERS AT HELSINKI ARE

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SHOWN FACING A SIMILARLY PREOCCUPIED AUDIENCE, THE
SOVIET PUBLIC IS APT TO CONCLUDE THAT THE CONFER-
ENCE DEMONSTRATED A LACK OF RESPECT FOR THE GEN-
ERAL SECRETARY. [REDACTED]

1. EGYPT-USSR: THE SOVIET UNION HAS AGAIN REFUSED TO RESCHEDULE PAYMENT OF EGYPT'S MILITARY DEBT, ACCORDING TO PRESS REPORTS FROM CAIRO.4

EGYPTIAN FINANCE MINISTER ISMAIL, DURING HIS MEETINGS IN MOSCOW LAST WEEK, FAILED TO REACH AGREEMENT FOR RESCHEDULING, ALTHOUGH THE DOOR WAS LEFT OPEN FOR FURTHER NEGOTIATIONS. EGYPT HAD REQUESTED AN EXTENSION OF THE TEN-YEAR MORATORIUM ON ITS MILITARY DEBT THAT EXPIRED IN 1974. WITHOUT THIS CONCESSION, EGYPT WILL HAVE TO DIVERT LARGE QUANTITIES OF EXPORTS TO THE USSR—MAINLY HARD CURRENCY EARNERS—WHICH WILL IMPOSE ADDITIONAL STRAINS ON CAIRO'S BALANCE OF PAYMENTS.4

DESPITE THE TOUGH POSITION TAKEN BY THE SOVIETS IN THEIR MEETINGS WITH ISMAIL AND THE INSISTENCE ON IMMEDIATE PAYMENT OF SOME \$200 MILLION OVERDUE, THE USSR UNDOUBTEDLY WANTS TO CONTINUE THE DIALOGUE.4

DISCUSSION OF A SOVIET OFFER TO EXPAND MOSCOW'S PARTICIPATION IN EGYPTIAN DEVELOPMENT PLANS WILL TAKE PLACE IN CAIRO IN THE

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NEAR FUTURE. THE QUESTION OF EGYPT'S DEBT ~~SHOULD~~ SHOULD BE
UNDOUBTEDLY BE AIRED AGAIN DURING THESE PROJECT REVIEW
SESSIONS.

2. OAU: THE ORGANIZATION OF AFRICAN UNITY ENDED ITS SUMMIT
MEETING IN KAMPALA LAST FRIDAY AFTER ADOPTING A WATERED-DOWN
RESOLUTION THAT STOPPED SHORT OF CALLING FOR ISRAEL'S IMMEDIATE
EXPULSION FROM THE UN.4

OAU MEMBERS ARE ASKED ONLY TO INCREASE PRESSURE ON ISRAEL
AT THE UN AND ITS SPECIALIZED AGENCIES; THE RESOLUTION MENTIONS
THE "POSSIBILITY" OF EVENTUALLY OUSTING ISRAEL FROM THESE
INSTITUTIONS. ON THE PALESTINE QUESTION, THE OAU MERELY EXPRESSED
"SOLIDARITY" WITH THE PALESTINIANS AND CALLED ON ISRAEL TO
RECOGNIZE THEIR "NATIONAL RIGHTS.4

AFTER BITTER DEBATE, THE SUMMIT REJECTED AN EGYPTIAN-SPONSORED
RESOLUTION CALLING FOR ISRAEL'S SUSPENSION FROM THE UN GENERAL
ASSEMBLY; THIS RESOLUTION WAS APPROVED LAST MONTH AT A MEETING
OF OAU FOREIGN MINISTERS THAT PRECEDED THE SUMMIT. THE AFRICAN
LEADERS ALSO WARDED OFF STRONG PRESSURE FROM LIBYA AND PALESTINE

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LIBERATION ORGANIZATION OBSERVERS FOR A RESOLUTION URGING ISRAEL'S OUTRIGHT EXPULSION FROM THE UN AND FOR THE ESTABLISHMENT OF PLO OFFICES IN ALL OAU MEMBER STATES. ZAIRE, GHANA, AND SIERRA LEONE APPARENTLY LED BLACK AFRICAN OPPOSITION TO THE ARAB RESOLUTIONS.

THE GENERALLY SUBDUED SESSION CALLED FOR A CEASE-FIRE IN ANGOLA AND ASKED THE TRANSITIONAL GOVERNMENT TO PERMIT A "COMMITTEE OF RECONCILIATION" TO GO TO THE TERRITORY IN THE NEAR FUTURE. THE CHIEFS OF STATE ALSO ENDORSED THE DECLARATION ON SOUTHERN AFRICA DRAUN UP LAST APRIL AT A SPECIAL MINISTERIAL MEETING IN DAR ES SALAAM. THE RESOLUTIONS APPROVE NEGOTIATIONS WITH SOUTH AFRICA IF THEY ARE DESIGNED TO BRING ABOUT MAJORITY RULE IN RHODESIA AND INDEPENDENCE FOR NAMIBIA (SOUTH-WEST AFRICA).

PRIOR TO THE SUMMIT, OAU FOREIGN MINISTERS SIDE-STEPPED THE THORNY ISSUE OF SOUTH AFRICA'S RIGHT TO EXIST AS AN INDEPENDENT STATE BY REFERRING IT TO THEIR NEXT MINISTERIAL MEETING.

AS EXPECTED, UGANDAN PRESIDENT AMIN WAS ELECTED OAU CHAIRMAN FOR THE COMING YEAR. MOZAMBIQUE, THE CAPE VERDE REPUBLIC, THE DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE, AND THE COMORO

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ISLANDS WERE ADMITTED AS MEMBERS, BRINGING THE MEMBERSHIP TO

46.

3.//COMORO ISLANDS: AN OPPOSITION GROUP THAT WANTS TO RETAIN LINKS WITH FRANCE YESTERDAY SEIZED CONTROL OF THE COMORO ISLANDS IN A BLOODLESS COUP. THE LEGISLATURE OF THE FOUR-ISLAND ARCHIPELAGO IN THE MOZAMBIQUE CHANNEL HAD DECLARED INDEPENDENCE FROM FRANCE LESS THAN A MONTH AGO.//4

//THE LEADER OF THE COUP, ALI SOILIH, A FORMER GOVERNMENT MINISTER, SAID HIS GROUP, THE NATIONAL UNITED FRONT, WILL CALL AN ASSEMBLY OF ALL POLITICAL PARTIES TO DRAW UP A CONSTITUTION.//4

//IN A REFERENDUM LAST DECEMBER, THE PREDOMINANTLY MUSLIM RESIDENTS OF THREE OF THE FOUR ISLANDS VOTED FOR COMPLETE INDEPENDENCE. THE CHRISTIAN AND PRO-FRENCH MAJORITY OF THE ISLAND OF MAYOTTE, HOWEVER, VOTED TO RETAIN SOME LINKS WITH FRANCE.//4

//THE COMORIAN LEGISLATURE'S ABRUPT DECLARATION OF INDEPENDENCE WAS INTENDED TO COUNTER A MOVE BY THE FRENCH

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NATIONAL ASSEMBLY THAT WOULD HAVE PERMITTED THE INHABITANTS OF MAYOTTE TO END THEIR ASSOCIATION WITH THE OTHER ISLANDS AND MAKE MAYOTTE A FRENCH OVERSEAS DEPARTMENT. 3//4

//FORMER PRESIDENT AHMED ABDALLAH HAD VOWED TO KEEP MAYOTTE A PART OF THE COMOROS AND ON FRIDAY HE DEMANDED THAT THE FRENCH WITHDRAW FROM ALL THE ISLANDS AS SOON AS POSSIBLE. PRO-FRENCH DEMONSTRATIONS BEGAN IN MAYOTTE ON THE SAME DAY AND OFFICIALS OF THE NEW STATE REPORTEDLY WERE FORCED TO LEAVE LOCAL ADMINISTRATION OFFICES. [REDACTED]

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4. ANGOLA-CABINDA: THE NATIONAL FRONT FOR THE LIBERATION OF ANGOLA MAY BE GETTING READY TO CHALLENGE THE POPULAR MOVEMENT FOR THE LIBERATION OF ANGOLA FOR CONTROL OF THE OIL-PRODUCING EXCLAVE OF CABINDA. 4

THE NATIONAL FRONT HAS MOVED TEN ARMORED CARS TO ZAIRE'S BORDER WITH CABINDA. THE FRONT REPORTEDLY PLANS TO ATTACK POPULAR MOVEMENT FORCES PROTECTING THE EXCLAVE'S MAJOR TOWN. THE FRONT'S SUDDEN BUILD-UP MAY BE ONLY A SHOW OF FORCE, BUT ANY SUCH MOVE RISKS SETTING OFF A CLASH. 4

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WHATEVER THE NATIONAL FRONT'S CURRENT INTENTIONS, CABINDA IS BOUND TO BECOME A CONTENTIOUS ISSUE SOONER OR LATER, DESPITE AGREEMENT AMONG ANGOLA'S THREE LIBERATION GROUPS THAT IT MUST REMAIN AN INTEGRAL PART OF THE TERRITORY. THE LIBERATION GROUP THAT CONTROLS THE EXCLAVE WILL HAVE GREAT LEVERAGE IN ANY FUTURE NEGOTIATIONS TO WORK OUT A POLITICAL SOLUTION FOR ANGOLA.

CABINDA'S FUTURE IS FURTHER COMPLICATED BY THE EXISTENCE OF A CABINDAN LIBERATION FRONT, WITH RIVAL FACTIONS IN ZAIRE AND IN THE CONGO. LUIS BFRANQUE, THE PRESIDENT OF THE STRONGER, ZAIRIAN-BASED CABINDAN FACTION, DECLARED CABINDA'S INDEPENDENCE FROM BOTH PORTUGAL AND ANGOLA ON FRIDAY AT THE ORGANIZATION OF AFRICAN UNITY MEETING IN KAMPALA. THE OAU, HOWEVER, STILL CONSIDERS CABINDA PART OF ANGOLA.

NEITHER FACTION OF THE CABINDAN SEPARATIST MOVEMENT CAN DO MUCH BY ITSELF, BUT THE ZAIRIAN-BASED GROUP IS SUPPORTED POLITICALLY BY ZAIRIAN PRESIDENT MOBUTU. MOBUTU BELIEVES CABINDA SHOULD AT LEAST HAVE THE RIGHT TO DECIDE WHETHER TO REMAIN PART OF ANGOLA. HE EQUATES CABINDA'S POSITION WITH

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THAT OF BURUNDI AND RWANDA, WHICH WERE ONCE ADMINISTERED FROM THE BELGIAN CONGO BUT OBTAINED SEPARATE INDEPENDENCE.4

SO FAR, MOBUTU HAS SHOWN NO WILLINGNESS TO GIVE THE CABINDAN SEPARATIST MOVEMENT ANY MILITARY SUPPORT. IN THE EVENT OF LARGE-SCALE HOSTILITIES IN CABINDA BETWEEN THE TWO MAJOR ANGOLAN LIBERATION GROUPS, HOWEVER, MOBUTU MIGHT FEEL CONSTRAINED TO INTERVENE MILITARILY TO NEUTRALIZE THE EXCLAVE AND PROTECT ITS "INTEGRITY."4

IN ADDITION TO WHATEVER QUESTIONS OF PRINCIPLE MAY BE BEHIND MOBUTU'S SUPPORT FOR CABINDAN INDEPENDENCE, THERE ARE IMPORTANT PRACTICAL REASONS FOR HIS INTEREST IN THE EXCLAVE. HE WANTS TO PROTECT ZAIRE'S ACCESS TO THE SEA AND TO ANGOLAN RAILROAD AND PORT FACILITIES, AND HE HAS NOT FORGOTTEN CABINDA'S IMPORTANT OIL DEPOSITS.4

IF THE ANTI-ZAIRIAN POPULAR MOVEMENT CAME OUT ON TOP IN ANGOLA, MOBUTU PROBABLY WOULD SEE LITTLE REASON NOT TO GIVE FULL BACKING TO CABINDAN SEPARATISM.

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3. ARGENTINA: AS ARGENTINE PRESIDENT MARIA ESTELS PERON BEGINS HER ONE-WEEK VACATION ON AUGUST 4, KEY EXECUTIVE FUNCTIONS ARE IN THE HANDS OF A 'MINI-CABINET' LED BY INTERIOR MINISTER BENITEZ.4

THIS GROUP HAS GAINED AN INCREASINGLY SIGNIFICANT ROLE AS THE PRESIDENT'S AUTHORITY HAS ALL BUT DISAPPEARED. SEVERAL OTHER CABINET MINISTERS--NOTABLY FOREIGN MINISTER VIGNES AND LABOR MINISTER CONDITTI--CONTINUE TO BE CRITICIZED FOR THEIR LINKS TO THE OUSTED LOPEZ REGA.4

BENITEZ, WHO IS WIDELY RESPECTED IN ARGENTINA, MAY SOON JOIN THE RANKS OF THOSE BEING MENTIONED AS CANDIDATES TO COMPLETE PERON'S TERM, IF SHE LEAVES OFFICE. OTHERS MENTIONED FOR THIS ROLE ARE SENATE PRESIDENT LUBER, WHO WOULD BECOME INTERIM CHIEF EXECUTIVE UNTIL CONGRESS CHOOSES A SUCCESSOR TO COMPLETE THE TERM, AND BUENOS AIRES PROVINCIAL GOVERNOR CALABRO, WHO HAS TIES TO LABOR AND THE MILITARY.4

OVER THE WEEKEND, THE OUTLAWED LEFTIST PEOPLE'S REVOLUTIONARY ARMY SOUGHT TO EXPLOIT DISSATISFACTION WITH THE GOVERNMENT BY PUBLICLY

OFFERING TO SUSPEND OPERATIONS IN RETURN FOR THE RELEASE OF ALL POLITICAL PRISONERS, AN END TO THE STATE OF SIEGE, AND THE REVOCATION OF "REPRESSIVE LAWS," INCLUDING THE BAN ON THE GROUP. THE GROUP REALIZES THERE IS ALMOST NO CHANCE THAT THE GOVERNMENT WILL MEET ITS DEMANDS, BUT HOPES TO ENHANCE ITS IMAGE BY DISPLAYING A WILLINGNESS TO BE CONCILIATORY. [REDACTED]

2-//LATIN AMERICA: DELEGATES FROM 25 LATIN AMERICAN COUNTRIES, INCLUDING CUBA, MEETING IN PANAMA DECIDED ON AUGUST 2 TO RETURN IN OCTOBER TO FORM THE LATIN AMERICAN ECONOMIC SYSTEM. DRAFT STATUTES FOR THE ORGANIZATION ARE TO BE PREPARED BY A COMMITTEE THAT WILL BEGIN ITS MEETINGS THIS MONTH.//Y

//THE ORIGINAL PROPONENTS OF THE ECONOMIC SYSTEM, PRINCIPALLY MEXICO AND VENEZUELA, APPARENTLY HAD HOPED TO GET THE ORGANIZATION OFF THE GROUND AT THE CONFERENCE THAT ENDED AUGUST 2. WHILE ALL THE PROSPECTIVE MEMBERS APPARENTLY AGREE ON SUCH OBJECTIVES AS GREATER COORDINATION ON TRADE PROBLEMS AND INCREASING THE FLOW OF TECHNOLOGY TO LATIN AMERICA, THEY DISAGREE IN OTHER AREAS.//Y

//SOME COUNTRIES, PARTICULARLY BRAZIL, ARE CONCERNED ABOUT

THE POLITICAL MILEAGE THAT MEXICO AND VENEZUELA WILL GET FROM FORMATION OF THE ORGANIZATION; SEVERAL OTHER STATES FEAR THE ORGANIZATION WILL DEVELOP AN ADVERSATIVE RELATIONSHIP WITH THE US.//Y

//SEVERAL DELEGATES WHO STRONGLY FAVOR THE CREATION OF THE ORGANIZATION INSISTENTLY DENIED THAT IT IS INTENDED TO PROMOTE SUCH AN OUTCOME. THE MOTIVE OF ITS SPONSORS, HOWEVER, IS CLEARLY TO ENABLE THE LATIN AMERICAN STATES TO BRING MORE PRESSURE ON THE US FOR TRADE AND OTHER CONCESSIONS.

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3. EL SALVADOR: A CLASH BETWEEN SALVADORAN STUDENTS AND SECURITY FORCES COULD BRING MAJOR PROBLEMS FOR THE MOLINA ADMINISTRATION.V

STUDENT UNREST HAD MANIFESTED ITSELF IN THREATS TO DISRUPE THE RECENT MISS UNIVERSE CONTEST. SECURITY WAS MAINTAINED DURING THE PAGEANT, BUT ON JULY 30 SOME 500 STUDENTS DEMONSTRATED IN THE CAPITAL. SECURITY FORCES CLAIMING SELF-DEFENSE OPENED FIRE AND KILLED AT LEAST FIVE STUDENTS; SOME REPORTS PLACE THE NUMBER OF DEATHS AT 12.Y

THE NEXT DAY, PRESIDENT MOLINA SAID THAT THE DEMONSTRATION

WAS PART OF A COMMUNIST CONSPIRACY AND HINTED HE MIGHT IMPOSE A STATE OF SIEGE. HE ACCUSED THE MAIN OPPOSITION PARTY, SOME OF WHOSE DEPUTIES MARCHED WITH THE STUDENTS, OF PROMOTING VIOLENCE. MOLINA'S CHARGES AGAINST THE COMMUNISTS AND THE CHRISTIAN DEMOCRATS, LONG-TIME ENEMIES OF THE ARMED FORCES, ARE DESIGNED TO ENSURE THE SUPPORT OF THE MILITARY.

THE CHRISTIAN DEMOCRATS, ANTICIPATING THE LEGISLATIVE ELECTION NEXT YEAR, HAVE RECENTLY BEEN MORE AGGRESSIVE IN DENOUNCING GOVERNMENT CORRUPTION AND INEFFICIENCY. IT MAY SEIZE UPON THE STUDENT DEATHS HIGHLY UNUSUAL IN GENERALLY PEACEFUL EL SALVADOR, TO WHIP UP POPULAR DISSATISFACTION WITH MOLINA.

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1. CHINA: A NUMBER OF CHINA'S REGIONAL MILITARY COMMANDERS MADE APPEARANCES DURING ARMY DAY CELEBRATIONS ON JULY 31. THE STATUS OF MANY OF THESE MEN WAS PROBABLY ON THE AGENDA OF A RECENT MEETING OF PARTY AND MILITARY LEADERS IN PEKING.Y

ALTHOUGH ALL THE RETURNS ARE NOT YET IN FROM THE PROVINCES, AT LEAST SEVEN OF THE ELEVEN REGIONAL MILITARY COMMANDERS APPEARED IN THEIR HOME BASES. THIS GROUP INCLUDES POLITBURO MEMBERS LI TE-SHENG AND HSU SHIH-YU, WHO HAVE BEEN IN AND OUT OF POLITICAL TROUBLE FOR ALMOST TWO YEARS.Y

THE POLITICAL FUTURE OF ANOTHER TROUBLED COMMANDER, HAN HSIEN-CHU, REMAINS IN DOUBT. HE DID NOT APPEAR IN HIS HOME PROVINCE, BUT NO REPLACEMENT WAS NAMED. ON THE OTHER HAND, THE PARTY BOSS OF HEILUNGKIANG PROVINCE IN THE NORTHEAST, A MILITARY MAN WHO HAS SEEMED AN ALMOST CERTAIN TARGET FOR PURGE, APPEARED IN HIS PROVINCE FOR THE FIRST

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TIME IN OVER A YEAR.Y

THE COMMANDERS OF THOSE AREAS THAT HAVE NOT YET REPORTED IN OR HELD RALLIES WITHOUT NAMING ATTENDANTS HAVE NOT SEEMED TO BE IN SERIOUS POLITICAL TROUBLE.Y

THE EMERGENCE OF MOST OF THESE COMMANDERS IN THE WAKE OF THE RECENT MEETING IN PEKING MAY BE SOMETHING OF A SETBACK FOR CHAIRMAN MAO. HE HAS SEEMED MORE WILLING THAN THE REST OF THE LEADERSHIP TO REMOVE SEVERAL OF THESE MEN.Y

RELATIONS BETWEEN THE PARTY AND THE MILITARY EASED CONSIDERABLY DURING MAO'S ABSENCE FROM PEKING EARLIER THIS YEAR. THE ATTITUDE IN THE CAPITAL AT THAT TIME SEEMED TO BE THAT, SO LONG AS THE COMMANDERS HAD LOST THEIR POLITICAL POSITIONS, PEKING WAS WILLING TO ALLOW THEM TO RETAIN THEIR MILITARY DUTIES AND TAKE THE HEAT OFF THEM. IT SEEMS LIKELY THAT THE RECENT MEETING, WHICH PROBABLY REOPENED THE CASES OF SOME OF THESE COMMANDERS, WAS HELD AT MAO'S INSISTENCE.Y

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OTHER HIGHLIGHTS OF THE ARMY DAY CELEBRATIONS WERE THE REHABILITATION OF FORMER CHIEF OF STAFF LO JUI-CHING, ONE OF THE EARLIEST VICTIMS OF THE CULTURAL REVOLUTION OF THE MID-1960S, AND THE FIRST PUBLIC ANNOUNCEMENT THAT YOUNG PARTY LEADER WANG HUNG-WEN HAD BEEN NAMED A VICE CHAIRMAN OF THE MILITARY AFFAIRS COMMITTEE, THE PARTY'S WATCHDOG OVER THE MILITARY.4

LO HAS A LONG BACKGROUND IN PUBLIC SECURITY WORK. HE IS KNOWN AS A STRONG LAW-AND-ORDER MAN AND A STAUNCH ADVOCATE OF MILITARY PROFESSIONALISM, I.E., MILITARY TRAINING AS OPPOSED TO A POLITICAL ROLE FOR THE ARMED FORCES. HIS REHABILITATION SYMBOLIZES PEKING'S EMPHASIS ON MILITARY DISCIPLINE AND TRAINING AND IS LIKELY TO BE READ IN CHINA AS A FURTHER REPUDIATION OF MAO'S CULTURAL REVOLUTION.4

WANG'S APPOINTMENT TO THE MILITARY AFFAIRS COMMITTEE IS ANOTHER EXAMPLE OF PEKING'S DETERMINATION TO PUT THE ARMY UNDER CIVILIAN CONTROL. HE IS THE SECOND CIVILIAN OFFICIALLY APPOINTED

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TO THE COMMITTEE THIS YEAR. [REDACTED]

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2.//JAPAN-KOREA: SOME AMBIGUITY IS EMERGING IN JAPAN'S POLICY TOWARD KOREA ON THE EVE OF PRIME MINISTER MIKI'S DEPARTURE FOR WASHINGTON.//4

//THE BASIC TREND—IMPROVEMENT IN RELATIONS BETWEEN TOKYO AND SEOUL IN THE MONTHS SINCE THE INDOCHINA COLLAPSE—HAS NOT BEEN REVERSED. INDEED, FOREIGN MINISTER MIYAZAWA'S TRIP TO SEOUL LAST WEEK RESOLVED SOME LONG-STANDING PROBLEMS AND HELPED PAVE THE WAY FOR CLOSER CONSULTATIONS, AS WELL AS JAPANESE ECONOMIC ASSISTANCE.//4

//A CROSSCURRENT IN TOKYO'S KOREAN POLICY, HOWEVER, HAS DEVELOPED IN THE WAKE OF A TRIP TO NORTH KOREA BY TOKUMA UTSUNOMIYA, A POLITICAL ASSOCIATE OF THE PRIME MINISTER. UTSUNOMIYA RECENTLY RETURNED FROM PYONGYANG WITH WORD THAT PRESIDENT KIM IL-SONG WANTS TO DISCUSS A PEACE TREATY DIRECTLY WITH THE US.//4

//AFTER CONFERRING WITH UTSUNOMIYA, MIKI SAID PUBLICLY THAT HE WOULD CONVEY PYONGYANG'S MESSAGE TO PRESIDENT FORD NEXT

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WEEK. MIKI WAS CAREFUL TO HEDGE HIS ROLE AS AN INTERMEDIARY AND ATTEMPTED TO HEAD OFF SUSPICIONS IN SEOUL BY ADDING THAT HE WOULD EXPRESS "HIS OWN VIEWS" ON THE KOREAN ISSUE IN ADDITION TO PASSING ON THE NORTH KOREAN PROPOSAL.//4

//FOREIGN MINISTER MIYAZAWA AND OTHER JAPANESE DIPLOMATS ARE UNCERTAIN WHERE MIKI STANDS ON KOREAN ISSUES. APPARENTLY, MIKI IS PERSONALLY INCLINED TO BELIEVE THAT JAPAN SHOULD INCREASE ITS DEALINGS WITH PYONGYANG AND PLAY A BROADER ROLE ON THE KOREAN PENINSULA, RATHER THAN SUPPORT SEOUL EXCLUSIVELY AS IN THE PAST. THERE IS SOME DOMESTIC PRESSURE IN JAPAN FOR SUCH A POLICY SHIFT, BUT A MAJORITY OPINION IN THE RULING LIBERAL DEMOCRATIC PARTY AND AT SENIOR LEVELS IN THE FOREIGN MINISTRY CONTINUES TO FAVOR A STRONG ALLIANCE WITH SOUTH KOREA.//4

//PYONGYANG'S PROPOSAL FOR TALKS WITH THE US IS NOT NEW; THE NORTH KOREANS OFFERED TO NEGOTIATE A PEACE TREATY WITH THE US IN MARCH LAST YEAR, AND THEY HAVE ATTEMPTED TO APPROACH THE US ON SEVERAL OTHER OCCASIONS. PYONGYANG HAS PROBABLY RENewed ITS PITCH AT THIS TIME AS PART OF ITS CURRENT PEACE CAMPAIGN

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IN SUPPORT OF NORTH KOREAN DIPLOMATIC INITIATIVES AMONG THE
NONALIGNED STATES AND AT THE UN. THE NORTH MAY ALSO BELIEVE
IT CAN ENCOURAGE SOME FRICTIONS IN THE US - JAPANESE - SOUTH
KOREAN RELATIONSHIP. [REDACTED]

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3. NORTH VIETNAM-CAMBODIA: A NORTH VIETNAMESE DELEGATION
HEADED BY PARTY CHIEF LE DUAN HAS JUST CONCLUDED A VISIT TO
CAMBODIA, ACCORDING TO SEPARATE ANNOUNCEMENTS BY RADIO PHNOM
PENH AND HANOI'S PARTY DAILY NHAN DAN. NEITHER ANNOUNCEMENT GAVE
ANY DETAILS OF THE TALKS, THE PARTICIPANTS INVOLVED, OR THE
DATES, SAYING ONLY THAT THEY WERE HELD "RECENTLY."

LE DUAN'S VISIT MAY HAVE TAKEN PLACE SOMETIME BETWEEN JULY 7
AND 22. DURING THAT TIME, NO MEMBER OF THE NORTH VIETNAMESE
POLITBURO WAS SEEN IN PUBLIC AND THERE WAS SPECULATION THAT THEY
WERE IN SOUTH VIETNAM ATTENDING A PARTY PLENUM. IT IS POSSIBLE
THAT WHILE IN THE SOUTH, LE DUAN AND OTHER MEMBERS MADE A SIDE
TRIP TO PHNOM PENH. BORDER PROBLEMS AND THE DISPUTE OVER THE
OFFSHORE ISLANDS ALMOST CERTAINLY WERE HIGH ON THE AGENDA DURING
THE DISCUSSIONS.

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THE NORTH VIETNAMESE VISIT TO CAMBODIA IS THE FIRST PUBLICLY ANNOUNCED VISIT BY A HIGH-LEVEL FOREIGN DELEGATION SINCE THE COMMUNISTS ASSUMED CONTROL IN MID-APRIL. THE FACT THAT THE INITIATIVE APPEARS TO HAVE BEEN TAKEN BY CAMBODIA SUGGESTS THAT IT MAY REPRESENT A SIGNAL THAT PHNOM PENH HOPES TO BALANCE SOMEWHAT THE COMPETITION FOR INFLUENCE BETWEEN PEKING AND HANOI. PEKING HAS YET TO DISPATCH SUCH A HIGH-LEVEL DELEGATION TO CAMBODIA, BUT CHINESE REPRESENTATIVES HAVE BEEN IN PHNOM PENH SINCE SHORTLY AFTER THE COLLAPSE OF THE LON NOL GOVERNMENT AND CHINA HAS BEEN BY FAR THE LARGEST SOURCE OF AID TO THE NEW REGIME.4

POSSIBLY AWARE THAT THE NORTH VIETNAMESE VISIT WOULD TOUCH CHINESE SENSITIVITIES, RADIO PHNOM PENH ON THE SAME DAY BROADCAST A MESSAGE FROM KHIEU SAMPHAN TO CHINA'S DEFENSE MINISTER COMMEMORATING THE ANNIVERSARY OF THE CHINESE ARMY. THE MESSAGE WARMLY THANKED THE CHINESE FOR THEIR SUPPORT DURING THE FIVE-YEAR STRUGGLE AGAINST THE LON NOL "COLIQUE" AND NOTED THAT THIS SUPPORT HAD CONTINUED IN THE "NEW PHASE OF THE CAMBODIAN REVOLUTION."

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